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Confidential Claim Retracted

Authorized by: SE

Date: 6/25/13

Mine Examination Report
Jackpile-Paguate Mine
Anaconda Copper Company
Pueblo of Laguna Uranium Leases 1 and 4
T. 10 and 11 N., R. 5 W., Valencia County, New Mexico
September 21, 1979

I inspected the open-pit and underground mining operations within the captioned leases September 14, 1979. Mr. Erwin Green accompanied me through the open-pit operations, while the underground operations were inspected with Mr. Ronald Ringhand. The purpose of the inspection was the examination of the mining operations currently in progress. The mining operations were last inspected April 3 and 4, 1979.

Present operations in the Jackpile Pit are confined to overburden stripping and the removal of barren Jackpile Sandstone above the ore horizon by Hamilton Construction, a private contractor. Stripping is under way in the NJ-32 and NJ-37 pushbacks, while 7 to 25 feet of waste are being removed in the NJ-17 and 23 pushbacks. Anaconda should commence ore zone mining in the NJ-17 and 23 pushbacks by October, 1979, and the NJ-32 and NJ-37 stripping should be complete by the end of 1979 and the middle of 1980 respectively. The overburden from the NJ-32 pushback is being placed on the North Dump, while that from the NJ-37 pushback is being placed on the southwest end of the Gavilan Mesa Dump. Mr. Green pointed out that most of the Gavilan Mesa Dump has been covered with Tres Hermanos material and that the southwest end of the dump will also be top dressed when NJ-37 stripping is complete. The Tres Hermanos material is brown and has effectively covered the black shale in the Gavilan Mesa Dump. The NJ-17 and 23 sandstone waste is being backfilled into the mined-out NJ-2, NJ-5, SJ-3 and SJ-12 areas. Anaconda plans on backfilling NJ-32 sandstone waste into the NJ-17 and 23 area by the end of December, 1979. Mr. Green noted that drilling is under way in the NJ-29 and NJ-46 areas to delineate the ore zones and that additional ore zone mining would occur in the NJ-24, NJ-27, NJ-28 and NJ-28 North pushbacks. About 25 feet of waste and bottom ore will be mined in the NJ-27 pushback when the NJ-17 and 23 pushback is complete, and bottom ore in the NJ-24, NJ-28 and NJ-28 North pushbacks will be mined by mid-1980.

Anaconda's only ore zone mining operations is presently located in the SP-16 pushback of the Paguate Pit. This is a large pushback where the ore zones contain large amounts of waste, and the mining will not be completed until 1980. The SP-16 mining waste is being backfilled into the mined-out SP-9 pushback. This backfilling is about 75% complete, and one area of the SP-9 pushback is being reserved for a protore stockpile (0.020-0.039% U_3O_8)



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so that the stockpile can be buried in the pit if it cannot be shipped to the mill for economic reasons. Overburden stripping by truck and shovel is under way in the Paguate Pit in the SP-25 and SP-40 pushbacks, and will continue through 1980. The overburden is being placed on a dump west of the SP-9 pushback. Mr. Green pointed out that this stripping will eventually necessitate the removal of the surface facilities for the P-10 Mine. The previously active SP-20 pushback will be completed in 1980 with the extraction of all bottom ore. Remnant ore zones are still being drilled and mined in the North Paguate Pit, and Mr. Green noted that these operations cause logistic problems by tying up equipment needed for ore zone mining in the pit pushbacks.

At the time of this inspection, all active ore stockpiles were located in the Paguate Pit for the ore zone mining conducted there. The P-2E, P-6 and P-9 stockpiles were being used for open-pit ore, while two other stockpiles were being utilized for ore from the P-10 and PW2-PW3 underground mining operations. Shipping of the previously active P-2 open-pit stockpile (0.06% U_3O_8) is approximately 50% complete. Mr. Green pointed out that most of the ore from both open-pit and underground operations was being shipped to the mill as soon as it was mined, thereby eliminating the need for numerous stockpiles.

The attached excavation report shows 1979 open-pit production for both Anaconda and Hamilton Construction. Compared to production through August, 1978, Anaconda's and Hamilton's total tonnages have increased by 23% and 52% respectively, while total combined production is up 42%. For the same period, Anaconda's ore production has decreased by 37% and 46% on the basis of tons and pounds U_3O_8 respectively, and protore production has decreased by 17% in tons and 25% in pounds U_3O_8 .

At the time of this inspection, underground mining was being conducted in the P-10 and PW2-PW3 Mines. Development has not yet begun on the P-15/17 Mine that was approved in April, 1978. The P-10 Mine was not examined at this time, but the operations were discussed briefly with Mr. John Nelson. According to Mr. Nelson, development of the P-7 and P-10 areas of the P-10 Mine is virtually complete, and pillar extraction on retreat is progressing from the ore limits roughly south and north towards the mine entry (decline) respectively. Ore development has begun in the P-18 area, the western limit of the P-10 Mine. Ore production from the P-10 Mine during 1979 is averaging about 1,000 tpd. Mr. Nelson pointed out that the 200 Track Drift in the P-10 Mine was being driven toward the P-15/17 area. The drifting is conducted two shifts per day, but progress is slow due to the excavation of an ore car turnout off of the 200 Drift. The mining of about 30% of the P-15/17 ore through the P-10 workings was approved by the Area Mining Supervisor June 25, 1979.

The mining operations in the PW2-PW3 Adit Mine were examined during this inspection. Development has almost reached the ore zone limits and access drifts will soon be driven in preparation for pillar recovery. Some pillar extraction has been completed south of Portal No. 2 (see attached map) and has resulted in the caving of this Portal and the adjacent pit highwall. At the time of this inspection, Portal No. 3 was being repaired due to damage caused by sluffing of the pit highwall during a recent heavy rain. Steel sets with tight timber lagging were being extended from the Portal into the pit to shield personnel from any further sluffing. Anaconda's underground miners' training school is conducted in this area of the Mine. I examined the haulage drift that has been driven from Portal No. 1 to the southernmost ore zones in the mine. This drift has apparently intersected an old, backfilled open-pit, and a small water inflow was present at the face. Mr. Ringhand thought that the flow was from a perched water zone and not from any surface source.

(ORIG. SGD.) DALE C. JONES

Dale C. Jones
Mining Engineer

Enclosures

cc:

Governor, Pueblo of Laguna
Acting Conservation Manager, CR
File (Laguna 1 and 4)
Chrono

DCJones:jes 9-24-79

Original to: Superintendent, BIA, Southern Pueblos Agency

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